

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SOUTHERN CALIFORNIA GAS
COMPANY for authority to update its gas
revenue requirement and base rates.

(U 904 G)

Application 02-12-027
(Filed December 20, 2002)

Application of SAN DIEGO GAS & ELECTRIC
COMPANY for authority to update its gas and
electric revenue requirement and base rates.

(U 902-M)

Application 02-12-028
(Filed December 20, 2002)

Investigation on the Commission's Own Motion
into the Rates, Operations, Practices, Service and
Facilities of Southern California Gas Company
and San Diego Gas & Electric Company.

Investigation 03-03-016
(Filed March 13, 2003)

**ADMINISTRATIVE LAW JUDGE'S RULING
GRANTING SAN DIEGO GAS & ELECTRIC COMPANY'S APRIL 13, 2004
MOTION FOR LEAVE TO FILE ERRATA TO ITS PROPOSED
SETTLEMENT AGREEMENT IN APPLICATION 02-12-028**

Background

On April 13, 2004, San Diego Gas & Electric Company (SDG&E) filed a motion for leave to file minor errata to a Proposed Settlement Agreement previously filed on December 19, 2003. The proposed errata contains "one errata change that affects the revenue requirement. The amount of rate base shown in places in the Settlement needs to be revised downward to reflect correctly the intention of the parties to the Settlement that there would be only partial funding of capital spending SDG&E had proposed for the Sustainable Communities

Energy project. This rate base adjustment produces effects in depreciation, taxes and return numbers in the Settlement.” (Motion, p. 1.) The effect of the errata change is a reduction by \$9,000 of the Settlement Agreement’s Test Year 2004 revenue requirement. The errata also included other typographical corrections so that the text matches the revenue requirements as calculated and otherwise intended in the Proposed Settlement Agreement.

The parties to the Proposed Settlement Agreement—the Office of Ratepayer Advocates, the Coalition of California Utility Employees, Coral Energy Resources, LP, and the Greenlining Institute—support the errata. (Motion, p. 4.)

On April 27, 2004, the Utility Consumers Action Network (UCAN) filed a response to the SDG&E motion, stating that it “opposes this Motion on the basis that it is procedurally inappropriate, it does not sufficiently justify the errata and UCAN cannot verify the alleged revenue reduction.” (Response, p. 1.) UCAN further sought leave to reopen record to consider a different issue, pension expenses, if the SDG&E motion were granted.

UCAN argued that “SDG&E should have consulted with UCAN (and other parties in the proceeding) prior to filing the motion to explain the changes and give UCAN’s experts an opportunity to verify that the many changes did, in fact, only modify one substantive aspect of the Settlement” and UCAN also is concerned that some of the corrections do not relate solely to the Sustainable Communities Energy project revenue requirement change. (Response, p. 2.)

With the permission of the assigned Administrative Law Judge, granted under Rule 45(g) of the Commission’s Rules of Practice and Procedure (Rules), SDG&E was allowed to reply on April 29, 2004. SDG&E replied that UCAN has no right to review proposed errata prior to filing and with respect to reopening the record, UCAN should not be allowed to make this request in response to the

errata, that under Rule 2.1(b) UCAN would be required to make (and justify) that request in its own filing. SDG&E provided a brief reply to the pension issue.

Discussion

It is not necessary for SDG&E and the other parties to the Proposed Settlement Agreement to consult with UCAN (or any other non-participant) prior to filing any motion or errata. It is only necessary for UCAN to have an adequate opportunity to respond to the Motion. Nor is it appropriate to reopen the record, as proposed here by UCAN, for a different issue simply because SDG&E filed an errata. The obvious purpose for an errata is to correctly state the intentions of the parties. Here, SDG&E wanted to clearly show two things: corrections to one item that reduced the revenue requirement by \$9,000, and to correct various typographical inconsistencies.

We consider whether or not to accept, by Ruling, the filing of this motion because it is possible that the Commission may wish to consider a decision that adopts, modifies, or otherwise relies on the Proposed Settlement Agreement for Application 02-12-028. It would be in the best interests of both ratepayers and shareholders for the Commission to have the most accurate description of the Proposed Settlement Agreement, even for a minor correction of \$9,000.

IT IS RULED that:

1. The April 13, 2004 Errata to the Proposed Settlement Agreement (Errata) for San Diego Gas & Electric Company (SDG&E) in Application 02-12-028 is accepted for filing.
2. The Errata is accepted on the understanding that the only substantive effect is that the Test Year 2004 revenue requirement is reduced by \$9,000.
3. Parties who have electronic mail addresses on file with the Commission will not be served a hard copy of this ruling, consistent with the electronic service

protocols adopted for this proceeding; all parties without an electronic mail addresses will be served a hard copy via U.S. mail.

Dated May 12, 2004, at San Francisco, California.

/s/ DOUGLAS M. LONG

Douglas M. Long
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have this day, served electronically the parties who have provided e-mail addresses, and served by U.S. mail the parties who do not have e-mail addresses, a true copy of the original attached Administrative Law Judge's Ruling Granting San Diego Gas & Electric Company's April 13, 2004 Motion for Leave to File Errata to Its Proposed Settlement Agreement in Application 02-12-028 on all parties of record in this proceeding or their attorneys of record.

Dated May 12, 2004, at San Francisco, California.

/s/ KE HUANG

Ke Huang

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.